

October 30, 2009

WASHINGTON, DC - On Thursday, October 29th, 2009, U.S. Rep. Michael Arcuri (NY-24) voted for the Small Business Financing and Investment Act of 2009 (H.R. 3854) to create and strengthen existing small business lending initiatives, allowing entrepreneurs access to more capital and higher Small Business Administration (SBA) loan limits. The bill also puts an emphasis on rural business lending and expands SBA loan eligibility to a wide variety of businesses.

"Helping small businesses grow and develop in Upstate New York is critical for our region," **Arcuri said**

, "Too often it is the small businesses that feel the economic crunch first and only have a tougher time as lenders make it harder for them to get loans. This bill will ease the burden on entrepreneurs by opening up the credit market and providing additional opportunities to prosper now and in the future."

The Small Business Financing and Investment Act will do the following to help small business:

- Create a Rural Lending Outreach Program to reduce application burdens for small business borrowers and lenders in these regions and increase the flow of capital to businesses in rural areas. The Rural Lender Outreach Program will also increase loan guarantees, encouraging banks to lend to rural entrepreneurs;
- Increase the maximum loan size on 7(a) program loans from \$2 million to \$3 million;
- Extend key Recovery Act provisions that eliminated fees on SBA loans. The bill keeps in place a 90% federal guarantee on certain loans, giving local banks and credit unions the confidence they need to lend to small businesses;
- Reduce paperwork required for SBA loans to encourage more participation by lenders;
- Enlarge the microloan program. For small businesses that are "major employers" in an area, the legislation will allow them to secure loans as high as \$25 million. This will help small businesses that are significant contributors to local employment access larger amounts of capital.

The Small Business Financing and Investment Act passed the House of Representatives with a bi-partisan majority of 389-32. Arcuri voted in support of the legislation.

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